

IMPACT OF INSTITUTIONAL INTERVENTIONS ON MARKETING OF RICE FARMING IN THRISSUR DISTRICT

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ABSTRACT

The study entitled 'Impact of institutional interventions on marketing of rice farming in Thrissur District' was conducted with the objective of examining the impact of institutional interventions on marketing of rice farming in Thrissur District. Ninety respondents from three panchayats of Thrissur district viz., Pazhayannur, Adat and Mundathikode were selected by multi stage random sampling. Data were collected through pre-tested structured interview schedule and Mann-Whitney U test was employed to analyse the data. The study found that procurement policy of SUPPLYCO provide assured market to the produce as well as stabilizes the market price in open market by offering a floor price to the farmers. Still there are problems regarding lagging of payment and long procedural formalities of SUPPLYCO. It is suggested that the example of Adat Service Co-operative Bank of 'linking of credit with marketing' may be replicated in all panchayats of the State to prevent distress sale and to obtain reasonable price for their produce. To eliminate procedural delay in realisation of cash from the sale proceeds, a tie up arrangement may be made between banks and SUPPLYCO for advancing money to the farmers against the receipt issued by the rice millers for the paddy procured by SUPPLYCO.

KEYWORDS: Pazhayannur, Adat and Mundathikode

Received: Dec 10, 2016; **Accepted:** Jan 11, 2017; **Published:** Jan 17, 2017; **Paper Id.:** IJASRFEB201727

INTRODUCTION

Institutions are systematic arrangements for the accomplishment of ambitions of society and individuals in an appropriate manner. Institutional interventions in rice farming sector in Kerala are immediately intended neither to make the state self sufficient in food grains nor to fasten the pace of progress of any region. Interventions in rice farming are inalienable to insulate the farming community from the vicissitudes of rapidly changing economy of the country. Gross Cropped Area (GCA) under rice farming declined sharply from 8.81 lakh hectares in 1974 to 1.18 lakhs hectares in 2014 (GOK, 2014). Rice area and production are on the verge of total extinction from Kerala where rice is the staple food and land has more than 5000 years of rice farming history. Various committees and study reports identifying the causes of declining rice cultivation could not arrest the process of further decline. Only by strong institutional intervention rice can be saved from its current crisis. Various institutions are functioning at national, state and local levels with various schemes to protect and preserve rice cultivation in the State. They have different projects and schemes for promoting rice production and allied activities. How far they are useful to the farmers and effectively encouraging rice farming has to be explored and explained. Due to increasing cost of inputs and labour, people are reluctant to do rice cultivation. If the farmer gets reasonable income from rice farming, more and more people will enter into rice cultivation. So it is necessary to

provide adequate assistance in the form of effective market interventions. If the farmer does not get reasonable price for his produce, he may not be able to cover the cost of production and earn a reasonable income. The Kerala State Civil Supplies Corporation (SUPPLYCO) is the major institution which intervenes in the rice market. The procurement policy of SUPPLYCO is a major intervention done by the Kerala Government to stabilise the price of paddy. The SUPPLYCO will procure paddy from the farmers at the Minimum Support Price (MSP) declared by the Government. The data collected and analysed with regard to the present work should throw light on impact of institutional interventions of SUPPLYCO on marketing of paddy as a critical factor of assistance of rice farming in the State.

RESEARCH METHODOLOGY

The database of the study is drawn from the primary survey collected through structured interview schedule. Multi-stage random sampling was used to select 90 respondents from Thrissur district. In the first stage, three blocks namely Pazhayannur, Puzhakkal and Wadakanchery were selected from Thrissur district based on the norm of highest rice production. In the second stage one panchayat from each block, viz., Pazhayannur, Adat and Mundathikode were selected on the basis of highest area under rice cultivation. From each panchayat, 30 farmers were randomly selected from the list of farmers in Krishi Bhavan to form the sample size of 90 farmer respondents. Percentages, Chi-square test and Mann-Whitney U test were employed to analyse the data.

RESULTS AND DISCUSSIONS

Interventions can be in the form of positive incentives normally. Institutions can provide incentives at various stages of farming activity from production to marketing, in kind, cash and services like subsidised inputs, income transfer, cash benefits, facilities, and skill / information/ technology transfer and so on. The rice cultivation details, availability of credit and marketing aspects are discussed in this paper.

Based on the land holding size, the farmers are categorised as tenant, marginal, small and large farmers. The farmers, who have no land their own, but do rice cultivation on leased land are classified as tenant farmers. The farmers who hold land less than one hectare of paddy land is categorised as marginal farmers. Those farmers who have land holding size of one hectare to two hectare is categorised as small farmer. The farmers who hold land more than two hectare are considered as large farmers.

Table 1: Distribution of Farmers Based on Land under Rice Cultivation: Panchayat - Wise

Sl. No	Type of Farmer	Pazhayannur	Adat	Mundathikode	Total
1	Tenant farmers	00	00	01 (03)	01(01)
2	Marginal farmers	23 (77)	11(37)	28 (94)	62 (69)
3	Small farmers	07 (23)	12 (40)	01 (03)	20 (22)
4	Large farmers	00	07 (23)	00	07 (08)
5	Total	30 (100)	30 (100)	30 (100)	90 (100)

Source: Compiled from primary survey

Note: Figures in parenthesis represent percentage share of each to total

Production and Productivity of Rice

The productivity of rice is different in the three areas of the study. Rice production is the highest in Adat Panchayat followed by Mundathikode Panchayat. Wide difference is noticed in the productivity of rice between Adat Panchayat and the other two panchayats. Adat Panchayat is a well-developed agricultural area. The local administration

authorities like panchayat and Krishi Bhavan are maintaining good relationship and co-operation with the farmers. Besides, the Adat Farmers Service Cooperative Bank also maintains good link with farmers, Krishi Bhavan and panchayat. Since farmers are getting better institutional support/ interventions, they are able to produce larger quantity of rice compared to the other two areas. In Pazhayannur Panchayat even though they are getting reasonable institutional assistance, there is high existence of weed plants in the area. It adversely affects rice production of the Panchayat. As a result the farmers in Pazhayannur Panchayat are not able to get as high a production as in the case of Adat Panchayat, inspite of the institutional interventions made available to them.

Table 2: Productivity of Rice of Respondent Farmers: Panchayat – Wise

Sl. No.	Production (kg /ha)	Pazhayannur	Adat	Mundathikode	Total
1	Less than 1000	02	00	02	04 (04)
2	1000 – 2000	09	00	08	17 (19)
3	2000 – 3000	10	02	08	20 (22)
4	3000 – 4000	06	00	05	11 (12)
5	4000 – 5000	03	04	04	11 (12)
6	5000 – 6000	0	09	03	12 (13)
7	6000 – 7000	00	11	00	11 (12)
8	More than 7000	00	04	00	04 (04)
9	Average Production	2444	5868	2947	3753

Source: Compiled from sample survey

Note: Figures in parenthesis represents percentage of each to total

Cost of Cultivation of Rice

The cost of cultivation of rice is the sum total of the cost of inputs, cost of plant protection, cost of cultural operations, labour charges and other costs like transportation and storage charges. In order to analyse the cost of cultivation of rice, the cost per ha is calculated for each respondent and percentage of farmers in each class interval have been found out and depicted in Table 3.

The cost of production of nearly half (48 %) of the sample respondents falls within the category of ₹ 35000 to ₹ 40000 per ha. The cost of cultivation is the lowest in Adat Panchayat, where 83 per cent are having cost of cultivation between ₹ 25000 to ₹ 30000 per ha and the average cost of all the respondents of the Panchayat is only ₹ 28489. Pazhayannur Panchayat has the highest cost of cultivation, with average cost of cultivation of ₹ 40345 per ha. In Pazhayannur Panchayat, transplanting is mainly done manually and hence farmers are spending significant amount as labour charges for transplanting operation. Moreover, weed problems and pest attack were very high in the Panchayath. As a result cost of production has increased considerably. In Mundathikode Panchayat which comes second in cost of production, all agriculture operations are mechanised including transplanting. Cost of mechanised transplanting is less than that of human labour. Mechanisation has improved the yield as well as reduced the cost of cultivation in Mundathikode Panchayat compared to Pazhayannur Panchayat. In Adat Panchayat operations other than transplanting are mechanised, where, instead of transplanting they are broadcasting the seeds. Broadcasting involves only very low cost while transplanting costs more than ₹ 15000 per hectare. The weed problems and pest attack were also lower in Adat Panchayat. As a result the cost of cultivation is lower in Adat Panchayath compared to Mundathikode Panchayat even though in Mundathikode Panachayat operations are fully mechanised.

Table 3: Distribution of Respondents Based on Cost of Production of Rice

Sl. No.	Cost of production/ ha (in ₹)	Pazhayannur	Adat	Mundathikode	Total
1	25000-30000	00	25	00	25 (28)
2	30000-35000	01	01	00	02 (02)
3	35000-40000	16	01	26	43 (48)
4	40000-45000	12	01	04	17 (19)
5	45000-50000	00	01	00	01 (01)
6	50000-55000	00	01	00	01 (01)
7	55000-60000	01	00	00	01 (01)
8	Total	30	30	30	90(100)
9	Average Cost (in ₹)	40345	28489	38927	35920

Source: Compiled from sample survey

Note: Figures in parenthesis represents percentage of each to total

Net Income from Rice Farming

Net income is the income from rice farming after meeting the entire cost of cultivation including the interest amount. Table 4 exhibits the net income or net loss per hectare of the sample respondents.

Table 4: Net Income of Respondents from Rice Farming: Panchayat - Wise

Sl. No	Net Income/ ha (₹)	Pazhayannur	Adat	Mundathikode	Total
1	Net loss	14	00	00	14 (16)
2	Less than 25000	08	00	00	08 (09)
3	25000-50000	06	00	01	07 (08)
4	50000-75000	02	01	12	15 (17)
5	75000-100000	00	03	17	20 (22)
6	100000-125000	00	04	00	04 (04)
7	125000-150000	00	22	00	22 (24)
8	Average Net Income	2092	125430	77432	68318

Source: Compiled from sample survey

Note: Figures in parenthesis represents percentage of each to total

The net income per ha is the highest in Adat Panchayat and lowest in Pazhayannur Panchayat. Pazhayannur has the lowest productivity and highest cost of cultivation. (Tables 2 & 3). Hence their net income will also be the lowest. It is to be noted here that in Pazhayannur, out of 30 respondents, 14 farmers representing 47 per cent are facing loss from rice cultivation. Even though the Pazhayannur farmers are having high cost of cultivation, they are not ready to quit rice farming since they have been doing it for years and are highly dedicated to it. Although almost all farmers are doing rice cultivation in two seasons in Pazhayannur, their production is lower than the other two panchayats. It is already revealed that cost of production is the highest in Pazhayannur, due to high labour charges for manual transplanting and expenses for overcoming high weed and pest attack.

Marketable Surplus of Rice Farmers

Marketable surplus is the surplus available for sale after meeting self-requirement, seed requirements and spoilage. Unlike other crops, farmers do not sell their entire yield. Since rice is the staple food of the people of Kerala, farmers used to keep certain quantity of their production for their own use and seed requirements. But in recent days, most of the farmers are not ready to retain their produce, because it involves lengthy processing procedures like boiling, drying, milling etc. Moreover, for seed requirements, they depend on notified / HYV seeds which are available from Krishi Bhavan.

Nearly half of the respondents (46%) of all the three panchayats together are having cent per cent of their total production as marketable surplus. In Adat Panchayat alone 67 per cent of the respondents have 100 per cent of their production as marketable surplus. It is to be noted here that large farmers are available only in the Adat Panchayat (Table 1). The higher the presence of large farmers, higher will be the marketable surplus of the farmers of the area. Compared to Adat Panchayat, farmers of Pazhayannur and Mundathikode Panchayats are retaining more of their produce for meeting own requirements. Since farmers are getting higher price than the open market price from SUPPLYCO, the farmers of Adat Panchayat who have larger production are more interested to supply their produce to SUPPLYCO rather than retaining for personal use, which has resulted in the highest marketable surplus for them.

Table 5: Share of Marketable Surplus to Total Production of Rice

Sl. No.	Marketable Surplus to Total Production (%)	Pazhayannur	Adat	Mundathikode	Total
1	40-50	1	1	0	02 (02)
2	50-60	4	1	0	05 (06)
3	60-70	1	1	2	04 (04)
4	70-80	5	0	3	08 (09)
5	80-90	7	4	11	22 (24)
6	90-100	4	3	1	08 (09)
7	100	8	20	13	41 (46)
8	Average (%)	85	96	92	88

Source: Compiled from sample survey

Note: Figures in parenthesis represents percentage of each to total

Sources of Credit

Public sector banks and cooperative banks are providing agricultural credit either in the form of KCC or agricultural gold loan. Both these loans of public sector banks are eligible for interest subvention scheme of the Central Government.

Table 6: Sources of Credit to Respondents for Rice Farming: Panchayat - Wise

Sl. No.	Panchayat	Not Availed	Public Sector Banks	Cooperative Banks	Private Agencies
1	Pazhayannur	14	08	06	07
2	Adat	00	07	30	00
3	Muundathikode	10	12	04	05
4	Total	24	27	40	12

Source: Compiled from sample survey

Table 6 reveals that 27 per cent are not having any loans or credit. Out of 66 respondents availing loans, 12, constituting 18 per cent are borrowing from private agencies like money lenders. It proves that non institutional sources are still prevalent among farmers. In Adat panchayat, all the farmers are accessing credit from the cooperative bank of the area, viz, Adat Farmers Service Cooperative Bank. It is also to be noted that none of the respondent farmers in Adat Panchayat have availed loans from non – institutional sources, and all of them have availed from institutional sources, which shows the efficient intervention of the Bank with respect to credit. It is the only panchayat among the selected panchayats which has cent percent respondents coming under the purview of institutional sources of credit for paddy farming. Adat Bank will sanction a KCC for all rice farmers for one year while starting the cultivation at the rate of ₹ 10000 per acre subject to a maximum limit of ₹ 25000 per farmer. The loan amount will not be given directly to the farmer, but can be used by the farmer like a revolving fund without any interest. The farmer can purchase fertilisers, herbicides, insecticides and other

inputs from the Depot of the Bank. After harvesting, the Bank will take the marketable surplus of the farmers and it will be given to SUPPLYCO. From the cash realised from sales proceeds, the loan amount and commission of one percent of sale proceeds will be deducted by the Bank and the balance amount disbursed to the farmer. The farmers are able to get easy finance without interest and can undertake timely cultural operations due to the efficient intervention of Adat Service Co-operative Bank. But in Pazhayannur and Mundathikode panchayats the picture is entirely different with farmers depending on non – institutional sources along with institutional sources. In both these areas, cooperative banks are not providing KCC advance to the respondent farmers and they are giving agricultural loans at 12 per cent interest rate, for which there is no interest subsidy. Availing credit is considered as a burden by some of the farmers. Reluctance to approach institutional agencies is yet another factor dissuading the farmer from availing credit. While interest subsidy is the prominent motivating factor for farmers for availing loans from institutional sources, it is timely and easy accessibility of credit for preferring non institutional agencies.

Procurement Agency for Rice

Table 7 shows that 84 per cent of the sample respondents are selling their produce to SUPPLYCO while 16 per cent are selling to private agencies. Adat Service Co-operative Bank is having efficient intervention in marketing by procuring the paddy from the farmer's field and providing to SUPPLYCO directly without any intermediary. Hence the farmer need not worry about the transportation, procurement time and procedures. As a result, the entire rice farmers in the Adat panchayat are selling their marketable surplus to SUPPLYCO through Adat Service Co-operative Bank. It is already seen that farmers of Adat Panchayat has the highest marketable surplus and 67 per cent of the farmers have 100 per cent of their production as marketable surplus (Table 5). Hence the factors motivating the farmers to supply their entire produce or their marketable surplus to SUPPLYCO are substantiated here. As evident from Table 7, some of the farmers of Pazhayannur and Mundathikode are depending on private agencies for selling their produce. When SUPPLYCO procures paddy at MSP, other private agencies procure at open market rate, which is usually less than the MSP. The procurement policy of SUPPLYCO helps the farmer not only to get reasonable price but also to maintain a stable market price in the open market.

Table 7: Procurement Agency for Rice

Sl. No	Agency	Pazhayannur	Adat	Mundathikode	Total
1	Private agencies	09	00	05	14 (16)
2	SUPPLYCO	21	30	25	76 (84)
3	Total	30	30	30	90

Source: Compiled from sample survey

Note: Figures in parenthesis represents percentage of each to total respondents

Determinants of Selection of Procurement Agency

One of the major concerns of a farmer while selecting the marketing agency is naturally, better price. On the basis of the discussion with farmers, it was possible to identify the main factors behind the decision of the procurement agency. As already seen, in the study area, SUPPLYCO and private parties are the major procurement agencies of rice.

Table 8: Determinants of Selection of the Procurement Agency

Sl. No.	Determinants	SUPPLYCO	Private Agencies
1	Better price	76	00
2	Speedy procurement	00	07
3	No procedural formalities	00	04
4	Easy realisation of cash	00	13

Source: Compiled from sample survey

As depicted in Table 8, farmers are selecting the procurement agency based on number of reasons such as reasonable price, speedy procurement, easy procedural formalities and easy realisation of cash. Out of 90 respondent farmers, 76 sell their paddy to SUPPLYCO. Better price is the only determinant for selecting SUPPLYCO as their procurement agency. SUPPLYCO is procuring the paddy at the MSP. But procedural formalities are high in SUPPLYCO. Application for procurement should be given before starting the cultivation and realisation of cash will be delayed for some days, sometimes two weeks, or one month or even more sometimes. But the period taken for crediting the amount to the farmers' account through the DBT system has drastically reduced in the recent days.

Speedy procurement, lack of procedural formalities and easy realisation of cash are the determinants of selecting private agencies which are all related. SUPPLYCO will permit only 17 per cent moisture content in the paddy in order to make it eligible for procurement. Having moisture content above this level fixed by SUPPLYCO will cause delay in procurement by SUPPLYCO but not in the case of private traders. SUPPLYCO will ask the farmer to dry and bring the moisture content to 17 per cent to make procurement. This will naturally cause delay in procurement of paddy which leads to the farmers approaching private agencies.

In Pazhayannur Panchayat, the moisture content is high in the yield of Virippu season. As a result SUPPLYCO will procure paddy only if the farmers dry and bring the moisture content to 17 per cent as prescribed by them which will cause delay in procurement and realisation of cash by the farmers. It is already seen that, of those availing credit for rice farming, 18 percent borrow from private agencies like money lenders. This is 44 per cent and 25 per cent in Pazhayannur and Mundathikode respectively (Table 6). These farmers have to pay higher interest rate compared to those who have availed institutional credit. So if the realization of cash is delayed, they will not be in a position to repay their loans in time. As a result they will sell the produce to private parties immediately after the harvest for whom moisture content is not a problem, but provide lower prices. Those farmers who have speedy procurement, no procedural delays and easy realisation of cash as their determinants for selecting their procurement agency are all belonging to this category of farmers who have taken loans from money lenders. These farmers are selling their produce to private parties. They are even making distress sales. It is one of the important reasons for the farmers in Pazhayannur Panchayat running into net loss from rice farming (Table 4)

Type of Farmers and Procurement Agency

This section is earmarked for finding out the choice of procurement agency by farmers based on farmer – category.

Table 9: Option for Procurement Agency: Farmer Wise

Sl. No.	Procurement Agency	Tenant Farmer	Marginal Farmer	Small Farmer	Large Farmer	Total
1	SUPPLYCO	01	48	20	07	76
2	Private agencies	00	14	00	00	14
3	Total	01	61	08	20	90

Source: Compiled from sample survey

It can be observed from Table 9 that only marginal farmers (15 per cent) are selling their produce to private agencies. All others are selling their paddy to SUPPLYCO. The chi-square statistic is significant at one per cent level, and the result implies that the farmer class and supply agency are related. The farmers who have high production are interested to sell their produce to SUPPLYCO, because a small difference in the price will create large variation in the amount of sales. The marginal farmers who have a lower level of production are not much bothered about the marginal differences in the price. Hence they prefer to sell their produce at a lower open market price rather than undertaking the troubles and procedural formalities of supplying to SUPPLYCO. It is to be noted here that all the marginal farmers of Adat Panchayat are selling their produce to SUPPLYCO. The intervention of the Adat Panchayat is once again reinstated here.

Many of the marginal farmers are mainly depending on non institutional money lenders for their finance. So they have to repay the credit immediately after the sales. The realisation of cash proceeds from SUPPLYCO is not immediate. The farmers who have taken loan from money lenders will not be in a position to repay the credit within the prescribed period. Hence these farmers are forced to sell their produce to private agencies at a lower price for quick realisation of cash, even if they are making distress sales. It has already been seen that marginal farmers of Pazhayannur are facing net loss from rice farming (Table 4), and this distress sale is the major reason for the loss incurred by the marginal farmers. If there had been proper institutional intervention of credit agencies in Pazhayannur Panchayat, as in the case of Adt Panchayat, the problems of marginal farmers would have been solved to a large extent.

Procurement Price of Paddy

As already seen, SUPPLYCO and open market are the two procurement agencies of paddy in the study area. The private millers who procure from the farmers, for and on behalf of SUPPLYCO, will also procure at the open market price from the farmers. The SUPPLYCO is procuring rice at the MSP and the open market price will be less than the MSP. The open market price is always lower than the price offered by SUPPLYCO. But it is seen that the open market price is increasing or moving along with the MSP. Hence it can be inferred that the MSP is a pillar which helps to maintain the market price stable. The existence of procurement policy of SUPPLYCO will help to ensure a reasonable market price in the open market

Table 10: Procurement Price of Different Agencies

Sl. No	Panchayat	Procurement Price of SUPPLYCO (in ₹/k.g.)			Procurement price of Private agencies (In ₹ /k.g.)		
		2012-13	2013-14	2014-15	2011-12	2013-14	2014-15
1	Pazhayannur	18-19	19	20	14-15	15-16.5	17-18
2	Adat	18-19	19	20	14-15.5	16-17	17-18.5
3	Mundathikode	18-19	19	20	14-15	15-17	17.5-18.5

Source: Compiled from Primary Survey

Impact of Intervention of SUPPLYCO on Income of Rice Farmers

The intervention of the Kerala State Government through the Paddy Procurement Scheme of SUPPLYCO is a major step for the promotion of rice farming. Although it is proved that the Scheme is helping the farmers to fetch a better price and income from rice farming, it is attempted here to substantiate it statistically by employing Mann Whitney U test. For this, farmers are classified into two groups, farmers who are marketing to SUPPLYCO and those who are not marketing to SUPPLYCO but to private agencies, and then the means of gross income of these two groups are compared. The result of Mann-Whitney U test is presented in Table 11.

Table 11: Mann-Whitney U Test for SUPPLYCO and Private Agencies

Sl. No.	Variables	N	Gross Income	
			Mean Rank	Sum of Ranks
1	SUPPLYCO	77	50.12	3859.50
2	Private agencies	13	18.12	235.50
3	Mann-Whitney U		144.50**	
4	Wilcoxon W		235.50**	
5	Asymp. Sig. (2-tailed)		0.00	

The results of Mann-Whitney U test indicate that there is significant difference between gross income of farmers who are supplying their produces to SUPPLYCO and that of supplying to private agencies. Farmers who are supplying to SUPPLYCO have higher income than farmers who are supplying to private agencies. Thomas (2011) in his study on “Paddy Cultivation in Kerala” has also found that farmers in Palakkad district have benefited greatly from the procurement of paddy by SUPPLYCO. Hence it is proved beyond doubt that the intervention of the Kerala State Government through the Procurement Policy of SUPPLYCO has significant impact on the income of rice farmers.

CONCLUSIONS

The procurement policy of SUPPLYCO provide assured market to the produce of rice farmers as well as it stabilizes the market price in the open market by offering a floor price to the farmers. Still there are problems regarding timely availability of assistance of Agriculture Department, lagging of payment by SUPPLYCO and long procedural formalities of SUPPLYCO. Even with lower open market price compared to MSP, some farmers are selling their produce to private traders to repay their dues to money lenders from whom they have taken money for rice cultivation. The example of Adat Service Co-operative Bank of ‘linking of credit with marketing’ may be replicated in all panchayats, to prevent distress sale by rice farmers and to obtain reasonable price for their produce.

The Government may take specific steps to eliminate procedural delay in realisation of cash from the sale proceeds of paddy. A tie up arrangement may be made between the banks and the SUPPLYCO for advancing money to the farmers against the receipt issued by the rice millers for the paddy procured by SUPPLYCO. The banks may be directed to advance of atleast 60 to 70 per cent of the amount due to the rice farmers. As and when SUPPLYCO makes payment, it may be credited to the account of the farmer after deducting the advance. This will enable the farmer to avoid distress sales for meeting the payment to money lenders. As a result of this a relationship develops between the banker and the farmers, which in future, will help to avoid money lenders. In order to make payment of huge amount of interest by SUPPLYCO it may ensure the availability of funds for paddy procurement scheme and can be given to commercial banks at the start of cultivation. So if the government takes necessary steps to provide the assistance on time, the rice production in the state can be enhanced and there by net income of farmers can be increased.

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